

1 Department of Trade and Economic Development

2

3 Adopted Permanent Rules Relating to Independent Wastewater

4 Treatment Grants Program

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6 Rules as Adopted

7 7380.0500 SCOPE OF RULES.

8 Parts 7380.0500 to 7380.0582 provide for the awarding of
9 grants by the Minnesota Public Facilities Authority under
10 Minnesota Statutes, chapter 446A, to municipalities for
11 wastewater treatment projects certified by the commissioner of
12 the Minnesota Pollution Control Agency, as provided in Minnesota
13 Statutes, sections 116.16 to 116.181, and chapter 7075.

14 The executive director of the authority shall assist
15 municipalities in determining which grants or loans to apply for
16 to finance eligible projects and the manner in which the
17 municipality shall pay for its portion of the project cost.

18 Municipalities making application to the authority must
19 comply with the requirements of the Pollution Control Agency
20 independent grant program rules in chapter 7075 in order to
21 receive the required certification of the commissioner of the
22 agency before any determination by the authority on the
23 municipality's application.

24 The authority shall, as provided in Minnesota Statutes,
25 section 446A.051, review the proposed project financing for a
26 municipal project certified by the commissioner of the agency to
27 determine if the municipality has demonstrated in its
28 application that:

29 A. the total financing of the project is assured; and

30 B. the municipality's financial plan to pay for its
31 portion of the project is feasible.

32 7380.0510 DEFINITIONS.

33 The definitions in Minnesota Statutes, section 116.16,
34 subdivision 2, and part 7380.0410, apply to parts 7380.0500 to
35 7380.0582.

1 7380.0520 STATE INDEPENDENT GRANTS PROGRAM.

2 Subpart 1. Grants for certified projects. The authority
3 shall award state independent grants to municipalities for
4 projects certified by the commissioner of the agency as provided
5 in Minnesota Statutes, section 116.18, subdivisions 3a to 3d.
6 The amount to be awarded by the authority must be equal to 50
7 percent of the eligible project cost as provided in the agency
8 rules, or if the population of the municipality is 25,000 or
9 less, 80 percent of the eligible project cost, as provided in
10 the agency rules.

11 Subp. 2. Grant limitation. Until December 31, 1990, the
12 authority shall award not more than 20 percent of the total
13 amount of grants awarded under this part to any municipality in
14 any fiscal year.

15 Subp. 3. Economic development set-aside. The authority
16 shall set aside up to ten percent of the money to be awarded as
17 grants under this part in any fiscal year for municipalities
18 having substantial economic development projects that cannot
19 come to fruition without municipal wastewater treatment
20 improvements.

21 After the authority has allocated the first 90 percent of
22 the total available money for the fiscal year to municipalities
23 in accordance with agency priorities, the set-aside must be used
24 by the authority to award grants to the remaining municipalities
25 that have been identified by the authority.

26 Subp. 4. Reimbursement. The authority may award grants
27 under this part to reimburse municipalities willing to proceed
28 with projects and be reimbursed in a later year if an
29 appropriation of sufficient funds has been made under Minnesota
30 Statutes, section 116.18, subdivision 1, for that year.

31 Subp. 5. Reimbursement grant percentages. A municipality
32 awarded a state independent grant for reimbursement for a
33 project shall receive an additional five percent of the total
34 eligible project construction cost beyond the percentage to
35 which the municipality is entitled under subpart 1.

1 7380.0530 ELIGIBLE COSTS.

2 Eligible costs for grant applications are the eligible
3 costs provided in the agency independent grant program rules and
4 certified by the commissioner of the agency.

5 7380.0540 CAPITAL COST COMPONENT GRANT PROGRAM.

6 Subpart 1. Grants for certified projects. The authority
7 shall award capital cost component grants to municipalities for
8 projects certified by the commissioner of the agency.

9 Subp. 2. Amount set aside. The authority may set aside up
10 to \$1,500,000 of the funds to be awarded as grants under part
11 7380.0520, subpart 1, in any fiscal year for capital cost
12 component grants.

13 Subp. 3. Project amount. The amount of the award granted
14 by the authority shall be as provided in the agency rules.

15 7380.0550 INDIVIDUAL ON-SITE TREATMENT SYSTEMS PROGRAM.

16 Subpart 1. Grants for certified projects. The authority
17 shall award individual on-site treatment systems grants to
18 municipalities for projects certified by the commissioner of the
19 agency.

20 Subp. 2. Amount set aside. The authority may set aside up
21 to ten percent of the funds to be awarded as grants as provided
22 in part 7380.0520, subpart 1, in any fiscal year, up to a
23 maximum of \$1,000,000, for the award of grants to municipalities
24 to reimburse owners of individual on-site wastewater treatment
25 systems for 50 percent of the costs of upgrading or replacing
26 the systems, as provided in part 7075.1250, subpart 2.

27 7380.0560 CORRECTIVE ACTION GRANTS.

28 The authority shall award corrective action grants to
29 municipalities for projects certified by the commissioner of the
30 agency.

31 7380.0570 APPLICATION PROCESS.

32 Subpart 1. In general. To apply for state independent
33 grants or the other grants programs as provided under parts

1 7380.0520, 7380.0530, 7380.0540, 7380.0550, and 7380.0560,
2 applications by municipalities shall be made to the authority on
3 forms provided by the agency which require information
4 prescribed by the agency rules.

5 Subp. 2. **Notice of taking applications.** Applications must
6 be taken as provided by the agency independent grant program
7 rules. The application period for any of the grants programs
8 shall be established by the commissioner of the agency.

9 Subp. 3. **Application processing.** The authority shall
10 forward an application to the agency within ten days of receipt
11 of an application by the authority. The agency will accept and
12 review applications as provided in the program rules in chapter
13 7075.

14 Subp. 4. **Certified applications.** When an application
15 certified by the commissioner of the agency is returned to the
16 authority on or before the first business day of the month, the
17 authority shall consider the application at the authority
18 meeting that month. If a certified application is received
19 after the first business day of the month and can be reviewed by
20 the executive director before the authority agenda deadline, the
21 authority may consider the application at the meeting in that
22 month.

23 Subp. 5. **Complete applications.** ~~A lean~~ An application is
24 complete for the authority's purposes when the executive
25 director receives all documentation and exhibits required for
26 the authority to make the determinations required by Minnesota
27 Statutes, section 446A.051.

28 Subp. 6. **Incomplete applications.** If the executive
29 director determines, relative to the authority's requirements,
30 that an application is incomplete, the executive director shall
31 notify the applicant of the specific deficiencies in the
32 application. The applicant has 30 days from the date of mailing
33 of the executive director's notification to complete the
34 application. If the application is not completed and received
35 by the executive director within 30 days from the date of
36 mailing, the application is considered rejected and the

1 applicant, subject to agency rules, shall reapply to be further
2 considered.

3 Subp. 7. Applications not receiving certification. An
4 application not certified by the commissioner of the agency will
5 not be considered for financial assistance by the authority.
6 The executive director of the authority shall notify the
7 applicant of the rejection of the application by the authority
8 within ten days of the rejection of the application by the
9 authority.

10 Subp. 8. Rejection of applications by the authority. An
11 application for financial assistance may be rejected by the
12 authority for the following reasons:

13 A. failure to develop and document that other
14 project-required funding commitments have been secured, as
15 provided in Minnesota Statutes, section 446A.051;

16 B. failure to submit a completed application using
17 the procedure provided in subpart 6; and

18 C. failure to demonstrate that the municipality's
19 financial plan to pay for its portion of the project is
20 feasible, as provided in Minnesota Statutes, section 446A.051.

21 7380.0580 AWARD OF GRANTS AND LOANS.

22 Subpart 1. In general. Upon certification of an
23 application by the agency and the review and approval of the
24 application by the authority, the authority shall make the award
25 and notify the municipality that it is to receive a grant or
26 loan and prepare and advise the municipality of the grant or
27 loan forms or other documents that must be executed to complete
28 the grant or loan.

29 Subp. 2. Amendments to grant award. A municipality that
30 seeks an amendment to a previously awarded grant or loan shall
31 follow the procedure in part 7380.0570 for applying to the
32 authority.

33 7380.0581 RELEASE OF FUNDS.

34 Subject to the availability of funds, payments to a
35 municipality, which have been certified by the commissioner of

1 the agency, will be made in accordance with applicable federal
2 and state laws governing those payments. However, payments will
3 not be made until the authority has determined the total
4 estimated cost of the project and ascertained that financing of
5 the project is assured by:

6 A. a grant to the municipality by an agency of the
7 federal government within the amount of funds then appropriated
8 to that agency and allocated by it to projects within the state;

9 B. a grant of funds appropriated by state law;

10 C. a loan authorized by state law;

11 D. the appropriation of proceeds of bonds or other
12 funds of the municipality to a fund for the construction of the
13 project; or

14 E. any or all of the means referred to in items A to
15 D; and

16 F. an irrevocable undertaking, by resolution of the
17 governing body of the municipality, to use all funds made
18 available exclusively for the construction of the project, and
19 to pay any additional amount by which the cost of the project
20 exceeds the estimate, by the appropriation to the construction
21 fund of additional municipal funds or the proceeds of additional
22 bonds to be issued by the municipality; and

23 G. conformity of the project and of the grant or loan
24 application with the state water pollution control plan as
25 certified to the federal government and with all other
26 conditions under applicable state and federal law for a grant of
27 state or federal funds of the nature and in the amount involved.

28 7380.0582 REPORTS.

29 During the term of the grant or loan agreement, the
30 municipality shall make written reports to the executive
31 director of the authority on forms provided by the authority on
32 a schedule determined by the executive director.